

ATTACHMENT D
WEH Annual Progress Report
Implementation of the Housing Element
General Plan Report requirement pursuant to
Section 65400 of the Government Code

RECEIVED
DEC 22 2005
DIV. OF HOUSING
POLICY DEVELOPMENT HCD

Jurisdiction: City of Watsonville
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Report Period: July 1, 2004 To: June 30, 2005

The following information should be included in the report:

A. Progress in meeting Regional Housing Need.

1. Total number of new housing permits issued: **210 permits issued for new units.**
2. Describe the affordability, by income level, of new units including the number of deed restricted affordable housing units:

Very Low Income	Low Income	Moderate Income	Above Moderate Income
2	0	4	204

3. Compare units added to regional housing need allocation by income category (very low, low, moderate, and above moderate)

	Very Low	Low	Moderate	Above Moderate
RHNA	484	284	428	1,087
(Produced FY 2003-2004)	41	124	87	349
Produced FY 2004-2005	2	0	4	204
Remaining Need	441	160	336	534

NOTE: This report does not include affordable units or any units produced in earlier fiscal years. There were a significant number of permits issued in 2000 through June 30, 2003 that are not reported in this total, so totals produced are not all inclusive.

B. The effectiveness of the housing element in attainment of the community's housing goals and objectives. (See table below)

1. Include a program-by-program status report relative to implementation schedule from each program in the housing element; describe actions taken to implement each program.
2. Assess effectiveness of actions and outcomes.

C. Progress toward mitigating governmental constraints identified in the housing element. (See table below)

1. Include information on actions taken to mitigate identified constraints.
2. The annual progress report should indicate if no constraints were identified in the housing element.

Housing	Program Goals	Five-Year Objectives	Funding Source	Responsible Agency	Time Frame	FY 2004 – 2005 Update
A. Housing and Neighborhood Conservation						
1. Code Enforcement	Bring substandard housing units into compliance with codes.	Continue to carry out code enforcement activities.	General; CDBG	CDD	Ongoing	The City continues to proactively pursue code enforcement activity throughout the City to sustain a high degree of residential conformity to maintenance and building standards. In FY2004-2005, the City created a third Code Enforcement Officer position to expand the City's Code Enforcement operations.

Housing	Program Goals	Five-Year Objectives	Funding Source	Responsible Agency	Time Frame	FY 2004 – 2005 Update
2. Housing Rehabilitation Loan Programs	Assist residents in repairing, upgrading, & improving single-family & multi-family housing.	Assist 50 homeowners & 25 renter families. Advertise program.	CDBG; HOME; Setaside; Cal Home	RHD	2002-2007	Five (5) owner-occupied and three (3) low-income rental units were rehabilitated during FY 2004-2005.
3. Neighborhood Services Programs	Improve & revitalize neighborhoods.	Continue to offer Neighborhood Services programs.	Private grant Funds	PCSD	Ongoing	The Neighborhood Services Division continues to offer neighborhood development and outreach programs and met two times a month with the River Park group throughout the year to help development of leadership within the community. Two (2) Neighborhood Pride Grant and 13 home improvement grants were awarded during FY 2004-2005.
4. Lead & Asbestos Loan Program	Help property owners to abate lead or asbestos hazards.	Assist 10 households. Advertise program.	CDBG; HOME	RHD	2002-2007	Lead was abated from 10 homes during FY 2004-2005.
5. Preservation of Affordable Housing	Preserve the existing stock of affordable housing.	The City will help preserve the Evergreen and Green Valley projects (2,28 at-risk units) as follows: 1) Monitor status of at-risk projects; 2) Provide technical assistance as feasible to property owners; and 3) Conduct tenant notification as required by law.	Set-aside Funds; In-Lieu Fees	RHD	Ongoing	The City continues to monitor these projects and has on-going relationships with the owners.
6. Mobile Home Park Conversion Ordinance	Preserve existing mobile home parks as affordable housing.	Review & revise Ordinance to ensure consistency with State law.	General Fund	RHD; CDD	2002-2007	This item remains on the City's work program.

Housing	Program Goals	Five-Year Objectives	Funding Source	Responsible Agency	Time Frame	FY 2004 – 2005 Update
B. Housing Assistance						
7. First Time Home Buyer Loans	Assist first-time & move-up buyers in purchasing homes.	Assist 75 households. Advertise program.	HOME; Cal Home; Set-aside Funds; In-Lieu Fees	RHD	2002-2007	The City issued 30 first-time homebuyer loans during FY2004-2005 and continues to offer the program and market its availability.
8. Down Payment Assistance Loans	Assist homebuyers in purchasing homes.	Assist 40 households. Advertise program.	Set-aside Funds; AHP	RHD	2002-2007	The City issued 35 Down Payment Assistance Loans during FY2004-2005. The program continues to be marketed bilingually.
9. Teacher Down Payment Assistance Loans	Assist local teachers & principals in purchasing homes.	Assist 10 households. Advertise program.	In-Lieu Fee Fund; MCCs	RHD	2002-2007	No applications were received for teachers down payment assistance loans during this reporting period.
10. Farmworker Housing	Facilitate development of housing for short & long-term farm-workers. Assist farmworker families in purchasing homes	Continue to permit housing for farm workers. Assist 20 households in buying homes.	General Fund; State FWHG	RHD	2002-2007	One existing unit was rehabilitated using Farmworker Housing funds and one Farmworker Housing Loan was issued during the reporting period.
11. Mortgage Credit Certificate (MCC)	Assist first-time & move-up buyers in purchasing homes.	Continue to participate in program. Assist 15 households.	Tax Credit	HACSC; RHD	Ongoing	The County Housing Authority continues to offer the MCC program.
12. Section 8 Rental Assistance	Provide rental assistance to very low-income households.	Continue to participate. Encourage property owners to list rentals with the Housing Authority.	Federal	HACSC; RHD	Ongoing	Section 8 vouchers continue to be utilized to assist eligible households with a portion of their rent.
13. Security Deposit Guarantee	Help tenants to rent units.	Continue to administer program	Set-aside	RHD	Ongoing	The City discontinued this program in 2003 due to difficulty in program administration and lack of available resources.
14. Relocation Assistance Ordinance	Ensure benefits assistance is provided to displaced tenants.	Continue to administer program.	General Fund	RHD	Ongoing	The Relocation Assistance Ordinance is ongoing.

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15. Child Care Assistance	Encourage development of new housing with a childcare component.	Support the provision of childcare assistance & facilitate the development of new housing with a childcare component.	General Fund; CDBG	RHD; CDD	Ongoing	The City continues to support the provision of childcare facilities.
16. Application for Grants and Loans	Ensure that funds are available to continue and modify housing programs.	Review available funds under Proposition 46 & other sources. Apply to meet City housing needs.	General Fund	RHD; CDD	Ongoing	The City continues to apply for grants as opportunities arise.

C. Housing Production

17. Adequate Sites Program	Facilitate availability of sufficient sites to meet the City's share of regional housing needs.	Continue to inventory sites for remaining need.	General Fund	RHD; CDD	2002-2007	The City continues to maintain an inventory of available residential housing sites.
18. In-Fill Housing Loans	Encourage in-fill housing projects.	Continue to administer program. Pursue State, federal, & private funds to leverage local funds & maximize assistance.	Set-aside Funds; HOME	RHD	Ongoing	The City is working on entitlements for 90 rental in-fill units during this reporting period.
19. Affordable Housing Ordinance	Ensure that new developments meet the City's wide range of housing needs.	Continue to administer program.	General Fund	RHD	Ongoing	Affordable Housing agreements were executed for 18 affordable units during the reporting period.
20. Partnership with Non-Profit Housing Agencies	Provide additional affordable housing opportunities.	Continue to partner with non-profit housing agencies.	Set-aside & in-lieu funds, HOME, MHP, FWHG, AHP, CDBG	RHD; CDD	Ongoing	The City continues to seek partnerships with non-profit housing agencies and assist these agencies in the development of affordable housing.
21. Transitional Housing	Meet transitional housing needs.	Continue to support the development of new & expansion of existing transitional housing.	General Fund	CDD	Ongoing	The City continues to encourage transitional housing.

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22. Mixed-Use Housing	Promote mixed-use development.	Continue to promote residential uses in conjunction with commercial uses. Review feasibility of SROs in CT, CN and RM-3 zones.	General Fund	CDD	Ongoing	The City continues to encourage mixed-use housing in commercial areas. The City anticipates completion of the zoning ordinance that will create a Mixed-Use Zoning District following adoption of the Draft 2030 General Plan, anticipated in Spring 2006.
23. YouthBuild Watsonville	Involve young people in construction of affordable housing.	Continue to provide financial, technical, and other assistance to support the program.	General Fund	RHD; CDD; PCSD	Ongoing	Construction of four (4) additional units began during the reporting period.
D. Removal of Governmental Constraints						
24. Affordable Housing Incentives	Facilitate the development of affordable housing.	Continue to offer incentives to facilitate development of affordable housing.	General Fund; CDBG; HOME; Set-aside Funds; In-Lieu Fees	RHD; CDD	Ongoing	The City is in process of revising its Affordable Housing Ordinance to comply with recent changes in State law regarding density bonuses. The City will consider any applications for Density bonuses consistent with State requirements.
25. Planned Development District	Provide flexibility in developments & facilitate creative housing options.	Continue to use the PD designation.	General Fund	CDD	Ongoing	In August 2004, the City Council approved the Pajaro Vista Subdivision which included 74 detached senior housing units. During the FY 2004-2005 143 units were finalized in the Alianza, Seaview Ranch, and Vista Montaña Planned Developments.
26. Design Review Process	Clarify community expectations & ensure new projects adhere to the guidelines.	Continue to administer program.	General Fund	CDD	Ongoing	The City continues to use Livable Community guidelines to promote new housing.

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27. Second Unit (Accessory Dwelling Unit)	Comply with State law & provide additional affordable housing opportunities.	Amend Zoning Ordinance to expressly permit development of second units.	General Fund	CDD	2003	In 2003, the Accessory Dwelling Unit (ADU) Ordinance was modified to facilitate the construction of ADUs and to comply with recent changes in state law. During the FY 2004-2005, the City approved the construction of 13 ADUs.
28. Zoning Ordinance Update	Ensure consistency with General Plan & recent changes in State law; improve readability.	Prepare an update of the Zoning Ordinance.	General Fund	CDD	2002-2007	The City is in process of updating its Affordable Housing Ordinance to comply with recent changes in State legislation. A comprehensive update of the ordinance will be conducted after adoption of the Draft 2030 General Plan, anticipated in spring 2006.

E. Equal Housing Opportunity

29. Fair Housing Program	Provide fair housing services to residents.	Continue to support the State Office of Fair Employment and Housing, CRLA, and equal opportunity lending programs. Support efforts by the Housing Authority or other agency to list units accessible to disabled persons.	CDBG	RHD; CDD	Ongoing	The City continues to support fair housing policies and the Housing Authority.
30. Housing for Disabled Persons	Identify & remove constraints affecting persons with disabilities.	Conduct evaluation and if any constraints are found, take actions within six months to address constraints. Eliminate the definition of a family in the Zoning Ordinance and support the County's (or other agency) effort to create a centralized database of affordable rental housing accessible to disabled persons.	General Fund	CDD	2003	The City is in process of revising its ordinance to eliminate the definition of family. In addition, the City continues to support the County's efforts to create a centralized database of affordable rental housing accessible to disabled persons.

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31. Special Housing Needs	Facilitate development of housing for persons with special needs.	Make identified changes & clarifications.	General Fund	CDD	Within one year of HE adoption	The PF zone was previously modified in 2003 to permit special needs housing. The City continues to encourage special needs housing projects within the City, and in particular in the PF zone district.

Abbreviations:

RHD = Redevelopment & Housing Department; CDD = Community Development Department; PCSD = Parks and Community Services Department; HACSC = Housing Authority of the County of Santa Cruz; AHP = Affordable Housing Program; CDBG = Community Development Block Grant; FWHG = Farmworker Housing Grant; HOME = HOME program; MHP = Mobile Home Program.